



FY 2022

ANNUAL REPORT

Contents

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The Division of Small Business is an agency of the Delaware Department of State.



The Mission

The Division of Small Business is focused on making Delaware the number one state in the nation to start and grow a small business.

We provide support to businesses of fewer than 100 employees to help them maximize their potential.

Small businesses account for 98 percent of businesses in Delaware and employ 55 percent of Delaware’s workforce. To help them succeed, the Division offers customized services and support, ranging from assistance navigating governmental regulations to connecting them to an extensive network of resource partners.

We focus on traditionally under-served populations to create a more diverse and vibrant business community.

The Division puts a specific emphasis on providing support to minority-owned, woman-owned and veteran-owned small businesses, as well as businesses owned by individuals with disabilities. The Division also assists businesses in under-served geographic areas.

We champion the state’s tourism industry by promoting Delaware’s endless discoveries to out-of-state visitors.

The Division, through the Delaware Tourism Office, markets the state as a top vacation destination, which benefits the many small businesses that are part of the state’s \$4 billion tourism industry.

We collaborate with state and local governments to create a better environment for economic growth.

The Division works with all levels of government to streamline the regulatory process to make it easier to open new businesses and expand existing ones.

We are responsible stewards of taxpayer dollars.

The Division, by vetting businesses seeking grants or loans from the Delaware Strategic Fund and other programs, ensures that taxpayer dollars are invested wisely and in a way that maximizes the positive impact on economic development.

Supporting Small Businesses

Delaware’s small business community continued to show incredible resilience throughout FY ‘22 as workforce shortages and supply chain issues remained a resulting challenge from the pandemic. Small business owners had creative and resourceful ideas to help their businesses through these challenging times – from restaurants expanding takeout options to retail stores offering locally-made products, Delaware’s entrepreneurs work hard every day to make their businesses stronger.

The Division of Small Business stepped up again this year with new programs and expanded offerings to support our state’s small and large businesses.

In January, the Division began accepting applications for the Site Readiness Fund from qualified businesses and local governments. The Site Readiness Fund provides grants to qualified businesses or local governments that

invest in constructing, renovating, or improving commercial, industrial sites so they will be readily available to new businesses, established businesses that are considering moving to the state, or existing businesses within the state that need additional sites to remain or expand in Delaware. As of FY ‘22, since the Site Readiness Fund opened, the Council on Development Finance has approved 11 applications totaling \$9.2 million.

Additionally, this year, the Encouraging Development, Growth and Expansion (EDGE) program returned for a fourth and fifth round of grants. This program aims to help early-stage businesses level the playing field against larger, more-established competitors.

In the fourth round of EDGE funding, 10 small businesses were awarded grants of up to \$25,000 in the Entrepreneur category, and five companies received grants of up to \$100,000 in



the STEM category. Awardees in that round of the competition included a company working to alleviate phantom limb pain for amputees, an artisanal popsicle store, and a supplier of home brewing materials. In the fifth round of EDGE funding, five businesses in the Entrepreneur category were awarded up to \$50,000 in grants while five businesses in the STEM category were awarded up to \$100,000 in grants. Awardees in the fifth round of the competition included a company that created a resorbable vascular stent, a Puerto Rican-inspired bakery, an outdoor baseball facility, and a cycling studio. More than 100 small businesses applied for the EDGE competition in both the fourth and fifth rounds.

The EDGE grant program continues to provide our creative, driven entrepreneurs with the capital they need to start or grow their businesses and reach their full potential.

Meanwhile, the Delaware Tourism Office continues to do an exceptional job supporting Delaware’s more than \$4 billion tourism industry and marketing the state as a destination for travelers. Efforts from the Tourism Office helped bring more than \$21 million in sports tourism sales to the state, including events in 16 different sports operating throughout Delaware and several high-profile national sporting events. Despite lingering ramifications of the pandemic, the Tourism Office also worked diligently with group travel planners and industry partners to rebuild the group tour market segment and attract group business to Delaware. The office brought more than \$1.7 million in group tour sales to our state this year.

This year, the Tourism Office distributed more than 80,000 travel guides to potential visitors from all 50 states. The award-winning travel guide continues to be a pivotal marketing tool in encouraging travelers to visit Delaware.

The upcoming year promises to bring even more opportunities for the Division to work with businesses from Claymont to Delmar, to strengthen the state’s economy, to bring Delaware even closer to the goal of being the number one state in the nation for starting and growing a small business, and to promote the endless discoveries awaiting visitors.

**Sincerely,
Jeffrey W. Bullock
Secretary of State**



Delaware FY '22 Small Business Landscape

**Small
businesses
account for:**

**239,512 jobs
(56% of
workforce)**

**\$13.8 billion in
wages
(38% of all
wages)**

**98% of all
businesses in
Delaware**

16,874 businesses

4,163 businesses

6,074 businesses

**There are
27,111 small
businesses in
Delaware.**

“EDGE Grants are helping to level the playing field for promising Delaware small companies as they compete with more established, larger businesses.”
- Gov. John Carney



EDGE Grants

The EDGE Grant program gives qualified small businesses in Delaware an edge by offering access to significant capital like never before.

Helping Small Businesses Gain an EDGE

The EDGE Grants competition is an innovative program aimed at helping promising early-stage Delaware companies get the funding they need to increase production capacity, hire more workers, level the playing field with larger, more established competitors and grow the state’s economy.

EDGE (Encouraging Development, Growth and Expansion) is open to businesses that are at least 51 percent based in Delaware, have been in business for less than five years and employ no more than the equivalent of 10 full-time employees. Funds are awarded as a 3-to-1 match on qualified expenses for eligible businesses.

Gov. Carney and the Division of Small Business launched the grants in late FY ’19. Since EDGE launched, more than \$3.75 million has been awarded to 60 promising Delaware small businesses in industries ranging from wearable technology to agribusiness to craft brewing.

In the fourth round of EDGE funding, which was announced in December 2021, 10 small businesses were awarded grants of up to \$25,000 in the Entrepreneur category, and five companies received grants of up to \$100,000 in the STEM category. Awardees in that round of the competition included a company working to alleviate phantom limb pain for amputees, an artisanal popsicle store, and a supplier of home brewing materials.

EDGE APPLICANTS

Class	Round 1	Round 2	Round 3	Round 4	Round 5
STEM	46	36	77	26	32
Entrepreneur	92	63	205	84	84
Total	138	99	282	110	116

In the fifth round of EDGE funding, announced in July 2022, five businesses in the Entrepreneur category were awarded up to \$50,000 in grants while five businesses in the STEM category were awarded up to \$100,000 in grants. Awardees in the fifth round of the competition included a company that created a resorbable vascular stent, a Puerto Rican inspired bakery, an outdoor baseball facility, and a cycling studio.

More than 100 small businesses applied for the EDGE competition in both the fourth and fifth rounds. A look at the grantees in each round can be found on pages 9 to 13.



Kindwell 

Kindwell (Wilmington)

Kindwell is a group of scientists, engineers and business executives dedicated to the improvement of chemical analysis to positively impact climate change, environmental justice, and air quality. The company is using highly innovative and impactful technology to create compact gas chromatography devices and multi-pollutant monitors to measure organic and inorganic chemicals in the air. Kindwell will use its grant to make engineering and software upgrades to their devices and on marketing and commercialization of their products.

ENTREPRENEUR
CLASSHow Do You Brew
(Smyrna)

How Do You Brew is a retailer of supplies for home brewers currently based in Newark. The company will use EDGE funding to build and market a new retail space in Smyrna that will double as a warehouse and distribution center for the growing business, expanding their reach into Kent and Sussex counties.

Key to Life Juice Bar
(Dover)

The Key to Life Juice Bar strives to promote and educate young people and members of the minority community on the importance of eating fruits and vegetables and the benefits of healthy eating. EDGE grant funds will be used for three months of rent at a location in downtown Dover, build-out needs, marketing, and ingredients.

The Center for Grief
and Trauma Therapy
(Newark)

The Center for Grief and Trauma Therapy provides mental health services for those experiencing grief or trauma. The business will use grant funds for technology upgrades, including improved internet access for its clinicians and staff to provide telehealth and in-person therapy, and additional marketing efforts.

Lean On Me Caregiving
(Dover)

Lean On Me Caregiving is a non-medical in-home care agency that services the entire state of Delaware. Services include, but are not limited to, personal care and hygiene, companionship, socialization, homemaking and organization, nutrition and hydration assistance, mental stimulation, dementia care, and medication reminders. EDGE funding will be used to develop an advanced educational employee training program on a web-based platform and to purchase equipment needed for the program.

ONTrac (Middletown)

ONTrac is a self-improvement content publishing and accountability platform that aims to improve goal achievement outcomes by empowering self-improvement content creators and other accountability partners to create content utilizing their innovative, proprietary new content medium called SMARTracs™. Securing the EDGE Grant will allow ONTrac to differentiate itself from its competitors by launching a pilot opportunity with a well-known coach and social media influencer.

A Look Into The 4th Round Grantees

STEM CLASS

TheraV (Newark)

TheraV works to transform and innovate post-amputation therapy and rehabilitation through the creation of drug-free solutions that improve the quality of life of amputees. TheraV's leading product, TheraV ELIX, is a drug-free wearable device that applies customized mechanical stimulation to overcome phantom limb pain. TheraV will use the EDGE grant funds for product development and manufacturing, website development, office space, and conference travel.

CM Materials
(Wilmington)

CM Materials is a seed-stage advanced materials company paving a more efficient future of electromagnetic components such as transformers, inductors, chokes, and filters. With the funds from the EDGE grant, the company will be able to demonstrate key performance improvements in devices for end-users which will accelerate the commercialization and market adaptation of CM Materials and increase the brand value.

Gaskiya Diagnostics
(Wilmington)

Gaskiya Diagnostics offers low-cost, paper-based and easy-to-use diagnostic tests for disease detection in aquaculture worldwide. The company will use its grant for research and development of its diagnostic aquaculture test, laboratory space and equipment, and other services including a validated prototype to offer investors.

Elyte Energy (Dover)

Elyte Energy uses patent-protected hydrogen technology to build a highly efficient power supply for generators and other fixed and portable devices. The EDGE grant will be used for laboratory space and equipment to develop a commercial prototype of its hydrogen-based system to power recreational vehicles.



CrossFit Petram (Middletown)

CrossFit Petram is a brick-and-mortar gym strategically located in the heart of the MOT community, right on Main Street in downtown Middletown. Grant funds will be used to design & construct two showers inside the gym, purchase and install an infrared sauna, and purchase new athlete recovery tools including compression boots and handheld massage guns.



One Way Insurance Group (Seaford)

One Way Insurance Group is a multilingual independent insurance agency specializing in auto, home, business, and life and employee benefits. The company will use its EDGE grant to purchase a van and convert it into a mobile office to reach more clients and provide financial literacy to the communities it serves.

Pop In Artisan Pops (Middletown)

Pop In Artisan Pops is a manufacturer of custom frozen treats with a small fleet of vintage ice cream tricycles used at events. To grow their business, they need the ability to accommodate larger catering events, provide broader delivery options, and expand distribution reach. They will use the EDGE grant funds to purchase a cargo van to expand their catering business.



The Berry Patch (Lincoln)

The family of Rodney and Yolonda Messick, including their sons Joshua and Jacob, are diversifying their grain farm operation to incorporate a U-Pick Berry Farm. The Berry Patch will utilize a growing system that is ideal for easy picking and handicap accessibility. The family plans to begin operating in the fall of 2022 and will use EDGE grant funds to purchase an IBEX strawberry growing system, which protects plants from frost, mold, and pests by using raised single containers and coconut husks as growing matter.

Sweets

& Treats (Dover)



Sweets & Treats is a dessert shop located in Dover's historic Downtown Development District. The shop offers gourmet desserts and custom cakes and has served over 30,000 customers since opening in May 2019. EDGE grant funds will be used to expand the shop's menu, purchase kitchen equipment, and renovate the shop in order to add indoor seating.



A Look Into The 5th Round Grantees



Carbon Reform (Newark)

Carbon Reform has developed a proprietary modular carbon dioxide (CO2) capture technology called the Carbon Capsule. The device retrofits into a commercial building's ventilation system and is able to improve indoor air quality for occupants, create energy savings for building owners, and directly capture and re-purpose tons of CO2 annually into a valuable limestone byproduct. Carbon Reform will use their EDGE Grant funding to secure the purchase of capital equipment to get them to the next stage of development, including manufacturing their first 10 Carbon Capsule commercial units.

Cosmos Pharmaceuticals (Middletown)

Cosmos Pharmaceuticals developed a solution to combat prescription medication abuse and improve individualized patient care by introducing a simple personalized medication lock called FortisKap. FortisKap, a universal pill bottle cap, secures a patient's prescription with their unique biometric signature and tracks robust medication usage throughout the course of treatment. The company will use its EDGE grant for equipment needed to commercialize their product and for office space at the STAR campus at University of Delaware.



Moonprint Solutions (Dover)

Moonprint Solutions is an engineering company with services that include product development, consulting, and prototype manufacturing. The EDGE grant will be used for a Computer Numeric Controlled material plotter/cutter to support prototyping and production of soft goods products.

G-Flash LLC (Newark)

G-Flash LLC is working to bring Green Flash Chromatography (GFC®) to commercialization for the pharmaceutical industry. Flash chromatography is a method of chemical separation used to purify chemical mixtures into individual constituents. The company will use its EDGE grant funding to quickly commercialize their latest technology, as well as integrate new unit hardware and software.

HARTLON (Wilmington)

HARTLON developed a bioresorbable vascular stent that is designed to eliminate pain, non-healing sores, and risk of limb amputation caused by poor blood flow below-the-knee. After a medical doctor unblocks an artery, the patented HARTLON stent is designed to be inserted into the opening to provide temporary support until the artery heals and then the stent dissolves leaving the artery in a longer lasting natural open condition. The company will use its EDGE grant for laboratory space, manufacturing services, and demonstration of performance with a preclinical study.

ENTREPRENEUR CLASS



Enhanced Edge (Dover)

Enhanced Edge LLC is a mental health counseling derivative specializing in full spectrum mental illness treatment through Alpha-Stim, QEEG brain mapping, biofeedback, and neurofeedback. The EDGE grant will be used to make various equipment, infrastructure, and marketing advancements. The most significant advancement is a "Dry" QEEG brain scanning cap which will allow the company to triple the number of clients they can treat in a day.



Neuro/Psychological Testing

Creekview Psychological Assessment (Newark)

Creekview Assessment Center is a small private group practice of clinical, school, and neuropsychologists. The business provides specialized psychological testing including, autism, psychoeducational, and disability evaluations. The business will use its EDGE grant funding to further invest in cutting edge technology for psychological test administration, marketing, and training other providers across the state of Delaware.

Salt Fitness (Rehoboth)

Salt Fitness is a boutique fitness cycling studio that provides a personalized experience focused on lifting one another up, developing community and relationships, tearing life walls down, full body health, high energy music, sweat drenched workouts, and having fun in a loving and supportive environment. The EDGE grant will be used to open a second studio in Milford, for advertising and instructor retention, and to finish improvements at the West Rehoboth Beach location.

My Sister's Fault (Milford)

My Sister's Fault is a Puerto Rican inspired bakery owned and operated by sisters Angie and Rous Robles. The bakery opened its doors in 2017 and currently has 10 employees. During the pandemic, the owners switched their operations to online orders and take-out only. Since then, the bakery's sales have increased significantly. My Sister's Fault will use their EDGE Grant funding to purchase new refrigeration and freezer equipment which will allow them the opportunity to complete more custom cake orders, hire more staff, and extend their operating hours for special events.

STATS Tournaments (Bear)

STATS Sports Complex LLC is an outdoor baseball facility that uses sports to encourage youth success beyond the field. What started as a tournament management endeavor has grown into a full-service facility that serves over 300 teams, hosts about 600 games, and 12 baseball tournaments annually. The business will use EDGE funding to build two grass convertible fields which will allow STATS to accommodate an additional 240 little league, high school, college, and travel baseball teams, as well as six more tournaments annually.

BEHIND THE NUMBERS


\$1.5 million
in RUN-DE loan funding awarded to Delaware by the U.S. EDA


31
businesses received a RUN-DE loan in FY '22


\$1.5 million
total loan funds distributed as of June 30, 2022

Businesses could apply for two times their 2019 or 2020 annual revenue up to a maximum of \$50,000.

RUN-DE Loans

With \$1.5 million in funding provided by the U.S. Economic Development Administration, the Division of Small Business launched the Rise Up Now Delaware (RUN-DE) revolving loan fund program in February 2021 to provide deferred-interest loans to small businesses in Delaware.

Loan funds can be used to purchase equipment, retrofit existing brick and mortar business operations, purchase inventory or as working capital.

In FY '22, the division successfully underwrote and funded 31 small business loans from the revolving loan fund. These loans provided \$1.5 million in financial assistance to 31 small business borrowers and resulted in creating or sustaining 110 jobs.

Each borrower was required to demonstrate that the business was unlikely to receive traditional lending and was also required to provide documentation of financial projections that indicated a high probability of ability to repay the loan and certifications of the intent to repay the loan.



Pictured: Faire Cafe in Wilmington



The Division of Small Business runs Delaware on Main, which serves as the statewide coordinator for the National Main Street Center's efforts to revitalize and preserve the nation's downtowns and commercial corridors.

ACCREDITED MAIN STREETS

- Wilmington (Downtown Visions)
- Dover
- Milford
- Rehoboth Beach

AFFILIATE MAIN STREET ORGANIZATIONS

- Cornerstone West Wilmington
- Delaware City
- Middletown
- Smyrna
- Seaford

FY '22 ACCOMPLISHMENTS

- Created 466 new full-time jobs (net)
- Created 41 new businesses (net)
- Completed 24 rehabilitation projects
- Contributed 13,252 volunteer hours
- Attracted \$55.8 million in private investment





Delaware Tourism Office

Throughout FY '22, Delaware's tourism industry began to bounce back from the impact of the COVID-19 pandemic. This bounce back was most felt in Sussex County as travelers returned to our state's picturesque beaches in record numbers, dined at area restaurants, and stayed overnight in hotels. DTO also saw encouraging signs that tourism is improving in Kent and New Castle counties as travelers began to feel more comfortable visiting new places or returning to their favorite central and northern Delaware destinations.

This rebound in visitation highlights the important role of tourism to Delaware's economy. Tourism contributed \$3.2 billion to the state's GDP in 2020, and \$497 million in state and local taxes. Tourism is the 4th largest private sector employer in the state, providing jobs for more than 44,000 of our neighbors

and fellow Delawareans. In 2020, Delaware hosted more than 7.7 million overnight visitors. Economic impact numbers for 2021 are still being calculated and will be shared publicly by DTO in early 2023.

The economic impact of tourism in Delaware is driven by DTO's commitment to effectively and creatively marketing our state as an exciting, interesting, and unique place to visit. DTO continued its efforts throughout the year to encourage out-of-state visitation with targeted regional and national marketing campaigns. Additionally, the office explored marketing opportunities in new markets in Chicago and Boston and looked at ways to target new audience segments including solo travelers.

DTO also works to attract visitors to our state through the sports and group tour

markets, and both markets saw promising growth this fiscal year.

In FY '22, sports sales topped \$21 million. This included events in 16 different sports operating throughout Delaware and high-profile events such as the Atlantic 10 Conference Women's Basketball Championship (returning in 2023 & 2024) in Wilmington, the U.S. Adult Figure Skating Championships in Newark, and USA Lacrosse Youth Nationals in Frederica. Several events also returned to Delaware after being cancelled during the height of the pandemic, including the Wilmington Grand Prix, Beast of the East Wrestling Tournament, and Slam Dunk to the Beach.

Delaware continues to be a top destination for Mid-Atlantic sporting events and is gaining a larger spotlight for high level

national sporting events.

Despite lingering COVID-19 impacts, including workforce and bus driver shortages and rising fuel costs, DTO worked diligently with group travel planners and industry partners throughout FY '22 to rebuild the group tour market segment and attract more group business to Delaware. In FY '22, DTO booked group tour business valued at more than \$1.7 million.

DTO is hopeful that the group tour market will further its rebound from the pandemic in FY '23, and the office will continue to support our group tour industry partners with programs like the Delaware Group Tour Coalition and the Delaware Motorcoach Rewards Program.

At the same time, DTO recognizes the importance of maintaining our close relationships with industry partners here in the state. In December 2021, the office held a Delaware Tourism Summit designed to provide valuable information and educational opportunities for our key industry partners. The all-day summit included nationally renowned speakers and interactive group sessions on a variety of topics along with remarks from Secretary of State Jeff Bullock and Governor John Carney. More than 150 industry partners attended the event, and DTO received positive feedback from those in attendance.

Another industry collaboration that DTO continued with throughout FY '22 was the Destination Development Program (DDP). Through this marketing incubator program, DTO gives businesses and non-profits access to state-of-the-art marketing strategies, including one-on-one services from top agencies. By providing training and resources, DTO helps participating partners to help themselves, and further increases awareness of Delaware's appeal to potential travelers.

The three businesses previously selected for the marketing incubator program in FY '21 included Riverfront Wilmington, Mispillion River Brewing in Milford, and Coastal Kayak in Fenwick Island. Through the guided incubator process, the participants received several marketing services directly from a national marketing agency, including audience and customer analysis for their business; branding analysis and recommendations to target out-of-state audiences; marketing plan research and implementation; marketing materials; and an online media audit. DTO maintained the DDP program throughout FY '22 with ongoing support. The office is currently working with the contracted marketing agency to provide in-depth reporting for all businesses who participated.

In May 2022, DTO relaunched the Delaware History Trail during National Travel and

Tourism Week. The relaunch offers visitors seven exciting new locations and a unique online "passport" they can use to track their travels on the trail, which was initially launched in 2011. In its updated form, the trail allows visitors to qualify for a unique new prize once they upload their photos of 10 of the 29 locations to [VisitDelaware.com/history](https://www.visitdelaware.com/history). Qualified participants receive a limited-edition, 100-piece Delaware history-themed puzzle to commemorate their time in the state.

Several new locations were added to the Delaware History Trail in FY '22, including the Delaware Agricultural Museum, the tall ship Kalmar Nyckel, Hagley Museum & Library, Milton Historical Society, Nanticoke Indian Museum, Nemours Estate, and Tubman-Garrett Riverfront Park. The trail's experiences emphasize Delaware's crucial role in the nation's history and its rich cultural diversity.

Although tourism began to see signs of recovery with increased visitation during FY '22, tourism businesses and non-profit organizations continue to feel the aftereffects of the COVID-19 pandemic in staffing shortages and the increase in costs for supplies and fuel. DTO will continue to work with tourism businesses and non-profit organizations during FY '23 to provide support and assistance as they further recover from the pandemic and other challenges.

Communications Unit

Throughout FY '22, the Communications team continued their efforts to promote the excellent work that the Division of Small Business does each day to help small businesses start and grow in Delaware.

In July 2021, the Division launched a weekly newsletter to our network of nearly 14,500 small business owners, partner organizations, and others. As of this report, we have distributed 69 e-newsletters to those subscribers. The newsletter includes free to low-cost resources for small businesses in Delaware, including information on: grants and funding opportunities; online and in-person trainings; upcoming business-related events; and tools available from our partner organizations like SCORE Delaware, the U.S. Small Business Administration, and the various chambers of commerce in our state.

Recently, each e-newsletter also includes a section named: Small Business Spotlight. In this section, we feature a locally owned small business by highlighting their story, their services or products, and the contact information of said business. This includes their social media profiles and websites, when possible. We have featured a wide range of businesses, from event planning to restaurants to facilities that perform different kinds of lab testing. Currently in progress is a more streamlined process for businesses or very passionate customers to submit their suggestions for the weekly Small Business Spotlight.

In terms of how well our newsletters perform, the average open rate of our emails over the past three months is 56%. When comparing our email performance to a year ago, our open rate is up 10%, and higher than the industry average by

10%. Each week, we see significant engagement with the newsletters, including high open rates and high click rates.

In May 2022, we launched a new tool called SizeUpDelaware. The tool allows small businesses throughout the state to make informed business decisions by providing access to powerful market research. Small business owners in Delaware can now access industry-specific and hyper-local information to help them grow and make smarter decisions about their business using the SizeUpDelaware tool. The research is individually customized for each company. By using the website service, small businesses are able to:

- 1. Rank their business performance compared to industry competitors;
- 2. Discover potential customers, suppliers, and better understand their competitive landscape; and
- 3. Optimize advertising to target ideal customer segments.

SizeUp helps to level the competitive business playing field by providing small businesses with market research that typically only large corporations can afford to access by contracting multinational management consulting companies or hiring internal research analysts. SizeUp uses big data, cloud computing, and computer algorithms to deliver custom analysis for local businesses. The data comes from hundreds of public and proprietary data sources covering firmographic, demographic, geographic, labor, wage, cost, consumer spending, transportation, and more.

During National Small Business Week in May,

the Communications team held an informational webinar on SizeUpDelaware for small business owners. The webinar was attended by more than 75 small business owners, and we received very positive feedback on the tool from those in attendance.

Through thoughtful, consistent use of multiple channels and creative content, Communications grew the number of followers for its social media pages and e-newsletter throughout FY '22. This significantly helped expand the reach of the Division's message to more small business owners and other stakeholders. The Division's Instagram account currently has about 1,500 followers, while the Division's Facebook account currently has almost 6,000 followers. Additionally, the Division's Twitter account has about 1,500 followers.

Other programs and initiatives supported by the Communications team in FY '22 include:

- **National Small Business Week:** During National Small Business Week, held the first week in May each year, the Communications team hosted an Introduction to Social Media webinar. The webinar was attended by more than 90 small business owners. Feedback on the webinar was extremely positive. We also shared social media posts throughout the week and shared five videos produced in partnership with the Government Information Center featuring several small business owners throughout the state. The videos reached at least 3,000 people on Facebook and more on Twitter.
- **Delaware Tourism Office:** During the year, the Communications team worked closely with the Delaware Tourism Office in promoting their initiatives and encouraging increased visitation and tourism throughout Delaware. This work included assisting at the Delaware Tourism Summit held in December 2021. The Communications team helped photograph the event and assisted the Tourism team with media relations at the summit.

- **Community Navigator Program:** We are a partner or "spoke" of the Community Navigator Program, which launched in March 2022. The Delaware Small Business Development Center was awarded \$2.5 million to expand access to underserved populations and small businesses throughout the state of Delaware. The Division Communications team is assisting with outreach for the program. The Navigator program is funded by the U.S. Small Business Administration.
- **Monthly Grant List:** Staff worked in FY '21 with the Horn Entrepreneurship program at the University of Delaware to create a monthly list of small business grants on the Division website. The Communications team continued updating the list and posted it monthly to the Division website throughout FY '22.
- **FOIA:** The team responded to numerous Freedom of Information Act (FOIA) requests from media and others seeking documents on various topics.
- **Media:** The Communications team responded to numerous requests from local, regional and national media for interviews with the Division of Small Business Director and Delaware Tourism Office Director.
- **Site Readiness Fund:** The Division of Small Business began accepting applications for the newly created Site Readiness Fund in January, and the Communications team helped promote the new fund with a press release and social media content on all channels. The Site Readiness Fund provides grants to qualified businesses or local governments that invest in constructing, renovating or improving commercial, industrial sites.

Business Marketing Program

There were no non-state cash contributions to the Business Marketing Program during FY '22. Total expenditures were \$95,533.45 and encumbrances were \$20,000.



Council on Development Finance and Delaware Strategic Fund

The Council on Development Finance (CDF) is a panel of nine members, appointed by the Governor, Senate President Pro Tempore and Speaker of the House, to advise the director of the Delaware Division of Small Business (DSB), who serves as chair of the Delaware Economic Development Authority (DEDA).

The Council hears, evaluates, and recommends approval or disapproval of projects brought to it by the Division, the Delaware Prosperity Partnership, and other economic development entities. These projects range from companies wanting to establish new facilities in the state, to existing businesses looking to expand, new companies wishing to grow and the revision of contracts already held with the state. After reviewing the project, the Council makes a recommendation to the Director.



NEWACME LLC

Delaware Strategic Fund

The Delaware Strategic Fund (DSF) provides customized financial assistance to businesses considering locating or expanding in the state of Delaware. Financial assistance may be provided in the form of grants or low-interest loans to support the attraction and expansion of businesses.

Through the Strategic Fund, DSB supports initiatives such as the Brownfield Assistance Program, Delaware Technical Innovation Program, Delaware Capital Access Program, and the Delaware Rural Irrigation Program. The Strategic Fund also provides funds not affiliated with these specific programs.

In FY '22, the council approved funding of 22

projects through the Delaware Strategic Fund. Since the beginning of FY '22, every one million Strategic Fund dollars spent on grants is matched by more than \$6 million in private funding. The projects are contributing more than \$855 million to Delaware's GDP.

Descriptions of FY '22 projects are on the following page. During FY '22, no requests for loans were presented to CDF.

STRATEGIC FUND
GRANTS

Advanced Materials
Technology, Inc.

This Wilmington-based product development and manufacturing company was approved for up to \$708,705 in Delaware Strategic Fund Grants. This includes a Performance Grant of up to \$89,705 to add 35 new jobs and a Lab Space Grant of up to \$619,000 to expand operations.

Prelude Therapeutics,
Inc.

This clinical-stage precision oncology company was approved for a Delaware Strategic Fund grant of up to \$3,128,070 to add 144 new jobs.

Miller Metal Fabrication,
Inc.

The company is building a new facility adjacent to their existing Bridgeville location. It was approved for up to \$265,250 in Delaware Strategic Fund grants, including a Capital Expenditure Grant of up to \$207,900 and a Performance Grant of up to \$57,350 to add 25 new jobs.

Tric Robotics LLC

The company was approved for \$50,000 from the Delaware Strategic Fund Delaware Technical Innovation Program for a Small Business Innovation Research (SBIR) grant. The business is located in Newark.

Talos Tech LLC

The New Castle company was approved for \$50,000 from the Delaware Strategic Fund Delaware Technical Innovation Program for a Small Business Innovation Research (SBIR) grant. The business produces advanced materials for battery manufacturers and develops advanced battery technologies for government agencies and commercial customers.

Sepax Technologies,
Inc.

The chromatography company was approved for \$475,072 in grants from the Delaware Strategic Fund, including a Performance Grant of up to \$54,922 to add 35 new jobs and a Lab Space Grant of up to \$420,150. The company is based in Newark.

B&M Meats, Inc.

The Wilmington-based manufacturer of raw sandwich steaks and chicken steaks is expanding operations. It was approved for a Delaware Strategic Fund Grant of up to \$1,110,725. This includes a Capital Expenditure Grant for up to \$555,300, and a Performance Grant of up to \$555,425 to add 190 new jobs.

Hologic, Inc.

The medical technology company is expanding its current facility at the Glasgow Business Campus. It was approved for up to \$2,198,720 in Delaware Strategic Fund Grants. This includes a Capital Expenditure Grant of up to \$720,000 and a Performance Grant of up to \$1,478,720 to add 225 new jobs.

ThruPore Technologies,
Inc.

The company was approved for \$50,000 from the Delaware Strategic Fund Delaware Technical Innovation Program for a Small Business Innovation Research (SBIR) grant. The business is located in New Castle.

Analytical Biological
Services, Inc.

The well-established company that provides biological materials and related services, is expanding their operations in Wilmington. It was approved for a Performance Grant for up to \$262,260 to add 36 new jobs.

Siemens Healthcare
Diagnostics, Inc.

The company is expanding its GBC Drive Campus in Glasgow. It was approved for up to \$2,000,695 in Delaware Strategic Fund Grants. This includes a Retention Grant of up to \$1,310,695 for the retention of 498 jobs and a Capital Expenditure Grant of up to \$690,000.

LaMotte Chemical
Products Co.

The company, which produces water testing instrumentation, is expanding operations from its current facility in Chestertown, MD to a new space in a Newark area business park. It was approved for a Performance Grant of up to \$190,440 to add 104 new jobs.

Great Outdoor Cottages
LLC

Capitalizing on the Skyline plant shutdown in Pennsylvania, this company is constructing a new building in Sussex County. It was approved for a Delaware Strategic Fund Grant of up to \$927,600. This includes a Capital Expenditure Grant for up to \$132,600 and a Performance Grant of up to \$795,000 to add 150 new jobs.

RiKarbon, Inc.

The company was approved for \$50,000 from the Delaware Strategic Fund Delaware Technical Innovation Program for a Small Business Innovation Research (SBIR) grant. The business is located in Newark.

Compact Membrane
Systems, Inc.

The company was approved for \$50,000 from the Delaware Strategic Fund Delaware Technical Innovation Program for a Small Business Innovation Research (SBIR) grant. The business is located in Newport.

Extreme Scale Solutions
LLC

This Newark-based company was approved for \$50,000 from the Delaware Strategic Fund Delaware Technical Innovation Program for a Small Business Technology Transfer (STTR) grant and \$50,000 for a Delaware Strategic Fund Delaware Technical Innovation Program for a Small Business Innovation Research (SBIR) grant. The business specializes in large-scale operational data analytics to improve IT infrastructure capacity management, productized a tool to assist in large database migrations, and offer a cloud cost optimization tool.

Ballydel Technologies,
Inc.

This Wilmington-based company was approved for \$50,000 from the Delaware Strategic Fund Delaware Technical Innovation Program for a Small Business Technology Transfer (STTR) grant. The research and development firm focuses on providing material and technology solutions for a variety of product applications in the pharmaceutical, defense, aerospace, energy, and consumer goods sectors.

Versogen, Inc.

The green energy company was approved for a Delaware Strategic Fund grant of up to \$151,343 to add 49 new jobs.

Investor Cash
Management Holdings,
Inc.

This Chicago-based company, which is a platform as a service (PaaS) provider in the fintech space, has plans to become a large presence in Wilmington. They were approved for up to \$4,258,410 in grants from the Delaware Strategic Fund, including a Capital Expenditure grant of up to \$461,100 and a Performance Grant of up to \$3,797,310 to create up to 395 new jobs.

Fujifilm Imaging
Colorants, Inc.

The company is building a new facility and expanding their existing facility at the current FUJIFILM site in New Castle. It was approved for up to \$1,644,630 in Delaware Strategic Fund grants, including a Capital Expenditure Grant of up to \$1,374,600 and a Performance Grant of up to \$270,030 to add 32 new jobs.

Agilent Technologies,
Inc.

The company, one of Delaware’s largest private-sector employers, plans to invest in improvements and expansion of their current R & D facility at its Little Falls facility in New Castle County. It was approved for \$303,330 in grants from the Delaware Strategic Fund, including a Performance Grant of up to \$93,330 to add 6 new jobs and a Capital Expenditure Grant of up to \$210,000.

COMPANY	COUNTY	TYPE OF GRANT	TOTAL AMOUNT AWARDED	# OF JOBS RETAINED	# OF JOBS CREATED	TOTAL # OF JOBS
Advanced Materials Technology, Inc.	New Castle	SF Grant	\$708,705.00	38	35	73
Sepax Technologies, Inc.	New Castle	SF Grant	\$475,072.00	53	35	88
Miller Metal Fabrication, Inc	Sussex	SF Grant	\$265,250.00	98	25	123
Prelude Therapeutics, Inc.	New Castle	SF Grant	\$3,128,070.00	81	144	225
Siemens Healthcare Diagnostics, Inc.	New Castle	SF Grant	\$2,000,695.00	498	0	498
Tric Robotics LLC	New Castle	DTIP	\$50,000.00	2	0	2
Hologic, Inc.	New Castle	SF Grant	\$2,198,720.00	160	225	385
B & M Meats, Inc.	New Castle	SF Grant	\$1,110,725.00	98	190	288
Great Outdoor Cottages	Sussex	SF Grant	\$927,600.00	0	150	150
Analytical Biological Services	New Castle	SF Grant	\$262,260.00	33	36	69
Investor Cash Holding, Inc.	New Castle	SF Grant	\$4,258,410.00	0	395	395
ThruPore Technologies LLC	New Castle	DTIP	\$50,000.00	4	2	6
Talos Tech LLC	New Castle	DTIP	\$50,000.00	4	2	6
Extreme Scale Solutions	New Castle	DTIP	\$50,000.00	4	1	5
Extreme Scale Solutions	New Castle	DTIP	\$50,000.00	4	1	5
RiKarbon, Inc	New Castle	DTIP	\$50,000.00	4	3	7
Ballydel Technologies, Inc.	New Castle	DTIP	\$50,000.00	3	2	5
LaMotte Chemical Products Co.	New Castle	SF Grant	\$190,440.00	0	104	104
Fujifilm Imaging Colorants, Inc.	New Castle	SF Grant	\$1,644,630.00	70	32	102
Agilent Technologies, Inc	New Castle	SF Grant	\$303,330.00	0	6	6
Compact Membrane Systems	New Castle	DTIP	\$50,000.00	22	12	34
Versogen, Inc.	New Castle	SF Grant	\$151,343	16	49	65
TOTAL			\$18,025,250	1,192	1,449	2,641



Laboratory Space Development Fund

In FY '22, an appropriation of \$10 million was budgeted to the Department of State to create the Laboratory Space Development Fund. The purpose of the Fund is to provide grants and other financial assistance to directly support the acquisition and expansion of high-quality modern laboratory space for business use and research in Delaware. The Division of Small Business administers the Fund and distribution of any awards from the Fund. Any laboratory space proposal that is to be allocated funding from the Fund is reviewed and approved by the Council on Development Finance.

Companies that received funds from the Laboratory Space Development Fund in FY ‘22:

- Prelude Therapeutics, Inc. - awarded \$2,400,000
- Analytical Biological Services - awarded \$1,000,000
- LaMotte Chemical Products Co. - awarded \$1,058,300
- Advanced Materials Technology, Inc.* - awarded \$247,600
- Analytical Biological Services ABS* - awarded \$400,000
- Prelude Therapeutics, Inc.* - awarded \$960,000
- Versogen, Inc. - awarded \$450,380

* Adjustments approved to initial award after CDF approved a greater threshold for Lab Space funding

Tax-Exempt
Bond Financing

New or expanding businesses, governmental units and certain organizations exempt from federal income taxation can be eligible for statewide financial assistance in the form of tax-exempt bonds. This financing, which does not utilize state funds nor impact the full faith and credit of the State of Delaware, may be cost-effective for projects involving the issuance of more than \$750,000. CDF reviews all applications for their impact on Delaware’s economy.

During FY '22, five issuances were approved.

COMPANY	COUNTY	TYPE OF GRANT	TOTAL BOND ISSUANCE AMOUNT
Newark Charter School, Inc.	New Castle	SF Bond	\$25,000,000.00
ASPIRA of Delaware Charter Operations	New Castle	SF Bond	\$22,000,000.00
YMCA of DE	New Castle	SF Bond	\$18,000,000.00
Providence Creek Academy Charter	New Castle	SF Bond	\$14,000,000.00
The Pilot School	Kent	SF Bond	\$8,000,000.00
TOTAL			\$87,000,000.00

Newark Charter
School, Inc.

The school was approved for a bond to be issued by DEDA in an amount not to exceed \$25 million. The proceeds of the bond will refinance a bond issued by DEDA in 2012 and also fund a capital improvement program.

ASPIRA of
Delaware Charter
Operations

The school was approved for a bond to be issued by DEDA in an amount not to exceed \$22 million. The proceeds of the bond will be used to refinance construction loans and undertake a capital improvement program.

Providence Creek
Academy Charter

The school was approved for a bond to be issued by DEDA in an amount not to exceed \$14 million. The proceeds of the bond will refinance a bond issued by Kent County in 2008; refinance a loan issued by USDA in 2009; and, finance a capital improvement project.

YMCA of DE

The organization was approved for a bond to be issued by the DEDA in an amount not to exceed \$18 million. The proceeds of the bond will finance the design, construction and equipping of a fitness and recreation center facility in Middletown.

The Pilot School

The school was approved for a bond to be issued by DEDA in an amount not to exceed \$8 million. The proceeds of the bond will refinance a bond issued by DEDA in 2014 as well as refinance a construction loan.

Delaware Rural
Irrigation
Program

The Delaware Rural Irrigation Program (DRIP) is a revolving loan fund administered jointly through the Dept. of Agriculture and Division of Small Business.

The program provides no-interest loans to allow farmers to irrigate more cropland. The public-private investments help these farmers survive droughts.

No DRIP projects were approved during FY '22.

Brownfield
Assistance
Program

The Brownfield Assistance Program provides matching grants to developers and owners to encourage redevelopment of environmentally distressed sites.

No Brownfield projects were approved during FY '22.

State Small
Business Credit
Initiative

The federally-funded State Small Business Credit Initiative (SSBCI) enables the Division of Small Business to create a loan participation program. This program is a partnership between the Division and the participating lending institutions designed to increase the access businesses have to capital at lower interest rates.

There were no SSBCI loans approved during FY '22.

Site Readiness
Fund

The Site Readiness Fund was established through Senate Bill 127 and launched in January 2022. The Fund provides grants to qualified businesses or local governments that invest in creating readily available sites for new or established businesses in Delaware.

In FY '22, 11 Site Readiness Fund applications totaling \$9.2 million were approved for funding.

COMPANY	AMOUNT
City of Harrington	\$1,000,000.00
CRISP Partners LLC	\$1,000,000.00
Sussex County	\$1,000,000.00
City of Milford	\$100,000.00
Drawbridge Claymont LLC	\$1,000,000.00
E & D Holdings LLC	\$1,000,000.00
Shanlan Corporation	\$100,000.00
Martin Property Development LLC	\$1,000,000.00
Blue Diamond Park LLC	\$1,000,000.00
KSIP I Piccard LLC	\$1,000,000.00
Town of Smyrna	\$1,000,000.00
TOTAL	\$9,200,000.00

Delaware Capital Access Program

The Delaware Capital Access Program (DCAP) gives banks a flexible, transparent tool to expand small business lending. By using a small amount of public resources to generate a large amount of private bank financing, the program provides more access to capital, which in turn stimulates economic growth.

During FY '22 there were 16 DCAP projects approved, (see chart below), and every dollar spent through DCAP generated \$12.83 in private funding.

APPLICANT	AMOUNT	COUNTY
Tri-State Fabrication & Machining LLC	\$7,500	New Castle
JJ's Learning Experience II LLC	\$30,000	Kent
Vagr Venture One, LLC	\$12,500	Sussex
Motivated Juicery LLC	\$14,000	Kent
Jumping Jack's Learning Center LLC	\$8,750	New Castle
Tree of Life Learning Center, LLC dba The Learning Tree	\$19,250	New Castle
Hispanic American Association of Delaware, Inc.	\$3,000	New Castle
Hispanic American Association of Delaware, Inc.	\$30,000	New Castle
Ortega Family LLC dba Office Pride Commercial Clean	\$17,500	Kent
Ortega Family LLC dba Office Pride Commercial Clean	\$4,375	Kent
R & C Trucking	\$12,500	Kent
Kidz Choice, LLC	\$29,312	New Castle
Honos Landscaping LLC	\$5,545	New Castle
Trust Renovations and Remodeling LLC	\$3,125	New Castle
Trust Renovations and Remodeling LLC	\$3,125	New Castle
Trust Renovations and Remodeling LLC	\$1,750	New Castle

Delaware Technical Innovation Program

The Delaware Technical Innovation Program (DTIP) offers transitional grants for research initiatives. Using the Delaware Strategic Fund, the program focuses on applicants for highly competitive federal grant programs known as Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR). Eligible companies conduct high-risk, early-stage research with a high potential for business growth.

SBIR/STTR research has three phases. During Phases I and II, entrepreneurs work to prove their ideas have technical and economic merit, seeking funding from the federal government and other public and private sources to help them develop their innovation. In Phase III, commercialization, less federal funding is available. Entrepreneurs must transition to selling their product on the open market to generate revenue and must rely more heavily on private investors for capital needs.

A dozen federal agencies provide SBIR/STTR funding for enterprises in Phase I (up to \$295,924) and Phase II (up to \$1,972,828). However, despite earning a Phase I federal award, the costs associated with completing a Phase II concept may be beyond some entrepreneurs’ means.

DTIP grants serve as gap financing for entities that have received Phase I grants and have applied for a Phase II. DSB can award a matching grant of up to \$50,000 per application (limit five awards per company within a 10-year rolling period).



Seven companies received DTIP grants in FY '22:

- BallyDel Technologies Inc. in Wilmington focuses on providing material and technology for space exploration, defense, public health and society.
- Compact Membrane Systems Inc. in Newport is developing a membrane that can be used in packaging to increase the shelf life of fruits and vegetables.
- Extreme Scale Solutions in New Castle is a software development company focused on researching, validating, and building high performance solutions for extreme scale data and compute problems.
- RiKarbon Inc. in Newark recycles plastic waste to create high-value products.
- Talos Tech LLC in New Castle produces advanced materials for battery manufacturers and develops advanced battery technologies for government agencies and commercial customers.
- ThruPore Technologies LLC in Newark makes highly porous synthetic carbon catalysts used in the chemicals industry.
- Tric Robotics LLC in Newark provides chemical-free pest control in agriculture by using robots and UV light.

Of the 38 DTIP awards made to Delaware entities from FY '13 to FY '22, 37% successfully were awarded federal Phase II funding. Without that transitional funding, the research and development necessary for these companies to achieve Phase II status would have been compromised.

FEDERAL AWARDS FY '13 - FY '22	DE AWARDS	TOTAL AWARDED	AVERAGE AWARD
Phase I Grants	243	\$37,801,676.11	\$155,562.45
Phase II Grants	112	\$117,978,523.64	\$1,053,379.38
TOTAL	355	\$155,780,199.75	\$438,817.46

DTIP Awards FY '13 - FY '22

AWARDS	ENTITIES	TOTAL AWARDED	AVERAGE AWARD PER ENTITY
38	23	\$1,840,000	\$80,000



Workforce Development

The Division of Small Business provides Blue Collar Training funds to Delaware businesses for customized training initiatives. Throughout the year, applications are received and contracts are awarded, and completed training contracts are closed out according to auditing standards. A follow up is conducted six months after the contract closes to determine if the business met its training goals. Below is an overview of this fiscal year.

New FY ‘22 Contracts

Overall

- Contracts awarded - 3 (\$21,132.00)
- Participants receiving training - 30
 - County breakdown
 - New Castle County - 2
 - Kent County - 1
 - Sussex County - 0
- First-time applicants and small businesses
 - Contracts awarded - 2 (\$16,132.00)
 - Participants receiving training - 7

Other Info

- On-site trainings observations - 0
- 2 companies reported 100% retention of employees trained 6 months after training was completed



Completed FY ‘22 Contracts

- Completed contracts - 6 (totaling more than \$320,034.00)
- Participants trained - 182
- First-time applicants - 1
- Small businesses - 4
- County breakdown:
 - New Castle County - 4
 - Kent County - 0
 - Sussex County - 2

Analysis of Participants

Demographic information on the next page is from voluntary surveys. Some participants chose not to complete the survey. Some do not complete the entire questionnaire.

State Employee Training Program

The Department of Human Resources receives \$100,000 annually from the Blue Collar Training Fund for the State Employee Training Program. DSB serves on the committee that evaluates proposals from state agencies for customized training within their respective departments. More than 300 state employees completed training.

Program Participant Profile

SEX		VETERAN		RACE/ETHNIC GROUP	
Male	74.6%	Yes	12%	White	50%
Female	25.4%	No	84.4%	African American	22.4%
No Response	0%	No Response	3.6%	Hispanic	20%
				Asian/Pacific Islander	4.6%
				American Indian	1.5%
				No Response	1.5%
AGE		DISABILITY		EDUCATION LEVEL	
16-20	0.8%	Yes	0.8%	Did Not Complete High School	3.1%
21-30	23.7%	No	98.4%	High School or Equivalent	23.1%
31-55	60%	No Response	0.8%	Post-High School/Training Program	10%
56-65+	14.7%			Some College	27.6%
No Response	0.8%			2-Year College Degree	10%
				4-Year College Degree	14.6%
				Additional Degrees	3.1%
				No Response	8.5%

RESIDENCE		LIMITED ENGLISH		RECIPIENT OF PUBLIC ASSISTANCE	
DE	70.8%	Yes	10%	Yes	2.3%
MD	20%	No	76.2%	No	0%
PA	3.8%	No Response	13.8%	No Response	97.7%
NJ	3.8%				
Other	0.8%				

MARITAL STATUS		EMPLOYMENT STATUS 90 DAYS PRIOR	
Married	50%	Unemployed	0.8%
Single	41.5%	Employed Part Time	2.3%
Single Parent	5.4%	Employed by This Employer	83.1%
Other	3.1%	Employed by Other Employer	4.6%
		No Response	9.2%

Additional Program Reports

Delaware Angel Investor Tax Credit

The Division of Small Business issued two credits totaling \$197,916.50. DSB administered the Angel Investor Tax Credit, which Gov. Carney signed into law in May 2018. The statute created a 25 percent refundable tax credit for investors who put in at least \$10,000 (for individuals) or \$30,000 (for funds) in Delaware-based companies in high-tech fields, including aerospace, biotech, and fintech. The program was sunsetted at the end of calendar year 2021.



Office of Supplier Diversity

State of Delaware Disparity Study

The State of Delaware contracted with MGT Consulting Group to conduct a disparity study to determine if inequities exist in the state’s procurement process that adversely affect our diverse business community of businesses owned by minorities, women, veterans, service-disabled veterans, and individuals with a disability, who provide construction and construction-related services within the Department of Correction, Office of Management & Budget, and the Department of Health & Social Services. The study performed by MGT group analyzed data from July 1, 2015, through June 30, 2020. The disparity report released on March 29, 2022, found that disparities exist among all our diverse business categories in nearly all procurement categories studied. In response to these findings, MGT provided a set of recommendations and practices for the State to consider in creating a narrowly tailored supplier diversity program that will increase access and opportunities for our



diverse business community. The complete report can be found: <https://mymarketplace.delaware.gov/results-de/documents/disparity-report-2022.pdf>

DEBCC Grant Program

The Office of Supplier Diversity introduced the Business Development Grant Program to help our diverse business and small business community gain access to networking, training & development, and corporate and federal contracting opportunities as well technical assistance through a membership to the Delaware Black Chamber of Commerce. The response to this program was overwhelming with well over 100 applicants. Thirty businesses, ten from each county, were awarded a one-year membership to the Delaware Black Chamber of Commerce.

Congratulations to these 2022 Office of Supplier Diversity Business Development Grant recipients:



NEW CASTLE

- B.L. Ward & Associates
- AI’s Sporting Goods
- Elite Agility Coaching
- Naild by Londyn
- Smith & Associates Tax Business
- Creative Business Assistants
- Patchwork Human Services
- Tonya Baynes Coaching
- Nonny’s Shea Butters
- Amazing Family Enterprises

KENT

Dineste Transportation Group
Distinct Visual Home Improvement
Taylormade Behavioral Health Solutions
Justin Connor MD LLC
Sisters Caribbean Restaurant
Introspection Counseling Center
Maniyah’s Blend
DeeZ CreationZ
Classic Touch Cleaning Services
Milestones Consultants

SUSSEX

One Way Insurance Group, LLC
Delaware Mobile Signings
ReNove Medical Spa
Tabitha Medical Care, LLC
Payton Consulting and Financial Services
Cloud 9 Candle Co.
MoBear Media, Inc.
Mrs. Marlette’s Colorful World Daycare
Boomerang Community Outreach, Inc.
Taste of the South Bistro

Events

The Office of Supplier Diversity is proud to support our resource partners who share our mission to advance our diverse business community. OSD participates in trainings, workshops, and other business events to share information about certification and other services provided by the Division of Small Business.

- Vendor Day Training – How to do Business with the State
- The University of Delaware Supplier Diversity Summit
- Christina School District Bancroft School Construction Workshop
- WBEC East Government Contracting Webinar
- Start-Up 302 Competition Judge
- Delaware Superstars in Business 2021 Judge

Business Visits

- National Black Business Week, August 2021
- National Veteran Small Business Week, November 2021
- National Small Business Week, May 2022

Office of Supplier Diversity accompanied Governor Carney along with state and local officials and Division of Small Business leadership on visits to some of our diverse and small businesses throughout the State. It was an honor to show support and recognize these business owners particularly for their resiliency through a tough year. The strength of our business community is unmatched.

Governor’s Supplier Diversity Council

The Governor’s Supplier Diversity Council (GSDC) meetings resumed in April 2022. The Council was reconstituted through Executive Order 49 and consists of 12 members with 8 members serving as appointees of the Governor. The work of the Council aims to create equity in the business community, encourage procurement participation and enhance economic opportunities for our diverse business and small business communities. The Council Chair formed the first GSDC subcommittee, the Demonstration/Program Subcommittee, with the purpose of identifying and developing programming and creating initiatives to help our diverse business community to grow and thrive in Delaware.

Meeting information can be found on the State’s Public Meeting Calendar at <https://publicmeetings.delaware.gov/#/>. For a list of members of the Governor’s Supplier Diversity Council, please see next page.



Governor’s Supplier Diversity Council Members

COUNCIL MEMBER	REPRESENTS
Sandy Johnson, Chair	Representative of the Governor
Regina Mitchell	Division of Small Business designee
Peter Korolyk	Office of Management & Budget designee
Shavonne H. White	Office of Supplier Diversity designee
Ayanna Khan	Women-owned private business sector
Marcella Saborio	Local, Private, Or Federal Minority and/or Women Business Assistance Program or Community Development Program
Fayette Blake	Private sector company located in the State of DE that administers a Supplier Diversity Program
Palash Gupta	Minority-owned private business sector
Jeffrey Benson	Delaware small private business sector
Anas Ben Addi	Delaware institution of Higher Education
Cindy Collins	Veteran-owned private business sector
Nick Callazzo	Individual with disability-owned private business sector

Supplier Diversity & Small Business Community Spend Snapshot

In FY '22, the State of Delaware spent \$720.9 million with the Supplier Diversity and Small Business community*. This includes direct spend of \$320.6 million with the Diverse business (OSD) community and \$400.3 million with the Small Business Focus (SBF) community. The chart below breaks down spend with the Supplier Diversity and Small Business community in FY '22 and compares it to spending in FY '21. This chart also includes information on Tier II spend.

SPEND TYPE	FY2020 ANNUAL	FY2021 ANNUAL	FY20-FY21 % CHANGE	FY2022 ANNUAL	FY21-FY22% CHANGE
Direct spend with OSD Certified + W9 + DSHA	\$195,701,073	\$299,796,584	53.20%	\$295,669,911	-1.4%
Indirect spend. Tier II	\$31,161,031	\$26,365,164	-15.4%	\$24,909,955	-5.5%
TOTAL Supplier Diversity spend (include W9, OSD & Tier II)	\$226,862,105	\$326,161,748	43.8%	\$320,579,866	-1.7%
Direct spend with SBF Certified	\$16,335,092	\$25,773,639	57.8%	\$29,880,801	15.9%
Direct spend with W9 small firms	\$227,713,457	\$327,355,922	43.8%	\$370,412,697	13.2%
TOTAL Small Business spend (include W9 & SBF)	\$244,048,548	\$353,129,561	44.7%	\$400,293,498	13.4%
TOTAL (direct and indirect, all diverse & small)	\$470,910,653	\$679,291,309	44.3%	\$720,873,364	6.1%

FY '22 Spend Scorecards

The FY '22 Annual total spend is \$720.9 million with the Supplier Diversity community (OSD + SBF), which is a combined increase of 6.1% over FY '21. Using data from First State Financials (FSF), JP Morgan, DSHA contracting reports, State Agency & GSS Tier II reports and DelDOT Subcontractor reports, the score cards capture annual spending by State agencies and school districts/charter schools with diverse and small businesses.

The scorecards report discretionary spend and provide a calculation of the percent of diverse (OSD + W9) spend as compared to the same agency’s total discretionary spend. Similar calculations are reported for small business spending within each agency on the second scorecard.

Agencies Diverse Spend Scorecard

- Of the \$720.9 million the State spent with the diverse business community in FY '22:
- 18 percent was direct with certified OSD businesses
 - 3 percent was indirect with Tier II
 - 22 percent was with W9 self-identified diverse firms

Five agencies accounted for 72 percent of the annual spend with the diverse community: Education, Department of State, Health and Social Services, Technology, and Finance. See the full Agencies Diverse Spend Scorecard chart on pages 39 and 40.*

Agencies Small Business Spend Scorecard

- Of the \$400.3 million the State direct spent with the small business community in FY '22:
- 7.5 percent was with certified SBF vendors
 - 92.5 percent was with W9 self-identified small firms

Seven agencies accounted for 84.4 percent of the annual spend with the small business community: Education, Health and Social Services, Executive, Finance, DelDOT, State and Technology. See the full Agencies Small Business Spend Scorecard chart on pages 41 and 42.*

Agencies Diverse Spend Scorecard

AGENCY	OSD SBF CERTIFIED FY2022	% OF OSD SBF SPEND	W9 SELF CERTIFIED FY2022	% OF W9 SPEND	OSD SBF + W9 SPEND	TOTAL AGENCY SPEND	OSD SBF + W9 % AGENCY ANNUAL
Legislative	\$195,903	0.14%	\$1,014,731	0.63%	\$1,210,634	\$3,835,622	31.56%
Judicial	\$266,225	0.20%	\$1,203,479	0.75%	\$1,469,704	\$13,079,670	11.24%
Executive	\$2,774,455	2.05%	\$2,967,650	1.85%	\$5,742,105	\$503,944,753	1.14%
Technology	\$13,002,269	9.58%	\$335,716	0.21%	\$13,337,985	\$65,064,167	20.50%
Other Elective	\$208,872	0.15%	\$1,158,771	0.72%	\$1,367,642	\$161,308,059	0.85%
Legal	\$513,624	0.38%	\$1,241,119	0.78%	\$1,754,743	\$12,296,090	14.27%
Human Resources	\$29,538	0.02%	\$21,855	0.01%	\$51,393	\$12,949,158	0.40%
State	\$2,366,054	1.74%	\$7,432,901	4.65%	\$9,798,955	\$292,277,960	3.35%
Finance	\$801,704	0.59%	\$10,648,817	6.66%	\$11,450,521	\$306,026,950	3.74%
DHSS	\$26,171,799	19.29%	\$52,487,026	32.80%	\$78,658,825	\$3,271,555,588	2.40%
DSCYF	\$2,045,429	1.51%	\$2,209,650	1.38%	\$4,255,078	\$82,875,518	5.13%
Correction	\$11,996,173	8.84%	\$298,655	0.19%	\$12,294,828	\$102,350,783	12.01%
DNREC	\$5,736,521	4.23%	\$2,381,414	1.49%	\$8,117,935	\$140,914,880	5.76%
DSHS	\$1,114,161	0.82%	\$6,661,084	4.16%	\$7,775,245	\$196,610,238	3.95%

Agencies Diverse Spend Scorecard cont.

AGENCY	OSD SBF CERTIFIED FY2022	% OF OSD SBF SPEND	W9 SELF CERTIFIED FY2022	% OF W9 SPEND	OSD SBF + W9 SPEND	TOTAL AGENCY SPEND	OSD SBF + W9 % AGENCY ANNUAL
DelDOT	\$7,015,493	5.17%	\$3,712,826	2.32%	\$10,728,319	\$691,556,536	1.55%
Labor	\$9,516,527	7.01%	\$3,157,494	1.97%	\$12,674,021	\$264,472,288	4.79%
Agriculture	\$51,089	0.04%	\$496,707	0.31%	\$547,796	\$47,309,027	1.16%
Elections	\$148,188	0.11%	\$56,295	0.04%	\$204,483	\$9,732,636	2.10%
Fire	\$14,721	0.01%	\$18,782	0.01%	\$33,503	\$5,845,087	0.57%
Natl Guard	\$2,861,860	2.11%	\$1,347,755	0.84%	\$4,209,615	\$20,427,571	20.61%
Exceptional Citizens	\$0	0.00%	\$88	0.00%	\$88	\$30,470	0.29%
Higher Education	\$5,679,047	4.19%	\$2,721,064	1.70%	\$8,400,111	\$277,266,611	3.03%
Education	\$38,683,150	28.51%	\$58,426,376	36.52%	\$97,109,526	\$882,334,084	11.01%
Housing Authority	\$4,476,856	3.30%	\$0	0.00%	\$4,476,856	\$35,843,339	12.49%
Total	\$135,669,658	100.00%	\$160,000,253	100.00%	\$295,669,911	\$7,399,907,085	4.00%

Agencies Small Business Spend Scorecard

AGENCY	OSD DIVERSE CERTIFIED FY2022	% OF OSD DIVERSE SPEND	W9 SELF CERTIFIED FY2022	% OF W9 SPEND	OSD DIVERSE + W9 SPEND	TOTAL AGENCY SPEND	OSD + W9 % AGENCY ANNUAL
Legislative	\$5,458	0.0%	\$3,286,748	0.9%	\$3,292,206	\$3,835,622	85.83%
Judicial	\$9,031	0.0%	\$1,807,943	0.5%	\$1,816,974	\$13,079,670	13.89%
Executive	\$677,287	2.3%	\$37,629,455	10.2%	\$38,306,741	\$503,944,753	7.60%
Technology	\$2,035	0.0%	\$19,784,132	5.3%	\$19,786,167	\$65,064,167	30.41%
Other Elective	\$8,037	0.0%	\$3,486,961	0.9%	\$3,494,998	\$161,308,059	2.17%
Legal	\$17,606	0.1%	\$3,305,861	0.9%	\$3,323,467	\$12,296,090	27.03%
Human Resources	\$657	0.0%	\$492,738	0.1%	\$493,396	\$12,949,158	3.81%
State	\$566,963	1.9%	\$18,909,150	5.1%	\$19,476,113	\$292,277,960	6.66%
Finance	\$6,932	0.0%	\$27,053,916	7.3%	\$27,060,848	\$306,026,950	8.84%
DHSS	\$3,394,266	11.4%	\$73,489,323	19.8%	\$76,883,589	\$3,271,555,588	2.35%
DSCYF	\$449,677	1.5%	\$4,735,490	1.3%	\$5,185,168	\$82,875,518	6.26%
Correction	\$423,827	1.4%	\$14,354,363	3.9%	\$14,778,190	\$102,350,783	14.44%

Agencies Small Business Spend Scorecard cont.

AGENCY	OSD DIVERSE CERTIFIED FY2022	% OF OSD DIVERSE SPEND	W9 SELF CERTIFIED FY2022	% OF W9 SPEND	OSD DIVERSE + W9 SPEND	TOTAL AGENCY SPEND	OSD + W9 % AGENCY ANNUAL
DNREC	\$453,518	1.5%	\$6,192,297	1.7%	\$6,645,814	\$140,914,880	4.72%
DSHS	\$243,393	0.8%	\$3,430,260	0.9%	\$3,673,653	\$196,610,238	1.87%
DelDOT	\$1,677,408	5.6%	\$23,384,699	6.3%	\$25,062,107	\$691,556,536	3.62%
Labor	\$362,267	1.2%	\$9,804,998	2.6%	\$10,167,265	\$264,472,288	3.84%
Agriculture	\$18,840	0.1%	\$898,230	0.2%	\$917,070	\$47,309,027	1.94%
Elections	\$1,908	0.0%	\$1,311,002	0.4%	\$1,312,910	\$9,732,636	13.49%
Fire	\$4,946	0.0%	\$89,384	0.0%	\$94,330	\$5,845,087	1.61%
Natl Guard	\$504,723	1.7%	\$830,550	0.2%	\$1,335,273	\$20,427,571	6.54%
Exceptional Citizens	\$0	0.0%	\$88	0.0%	\$88	\$30,470	0.29%
Higher Education	\$1,384,828	4.6%	\$4,364,990	1.2%	\$5,749,818	\$277,266,611	2.07%
Education	\$19,667,196	65.8%	\$111,770,118	30.2%	\$131,437,314	\$882,334,084	14.90%
Housing Authority	\$0	0.0%	\$0	0.0%	\$0	\$35,843,339	0.00%
Total	\$29,880,801	100.0%	\$370,412,697	100.0%	\$400,293,498	\$7,399,907,085	5.4%

DOE & School Districts Spend Scorecard

School districts spent \$32.1 million with the certified Supplier Diversity community in FY '22.
This represents a 24.3 percent increase in spend when compared to FY '21.

DISTRICT	FY2021	FY2022	% OF FY22 TOTAL
Appoquinimink	\$8,370,249	\$4,254,460	13.2%
Brandywine	\$2,815,116	\$3,409,390	10.6%
Caesar Rodney	\$1,132,592	\$1,096,326	3.4%
Cape Henlopen	\$4,907,868	\$4,418,008	13.7%
Capital	\$246,133	\$2,868,060	8.9%
Christina	\$1,766,498	\$5,777,389	18.0%
Colonial	\$764,548	\$873,966	2.7%
Delmar	\$30,390	\$550	0.0%
Indian River	\$267,874	\$1,313,070	4.1%
Lake Forest	\$153,491	\$248,648	0.8%
Laurel	\$28,295	\$637,740	2.0%
Milford	\$118,307	\$372,644	1.2%
New Castle VoTech	\$391,782	\$591,498	1.8%
Polytech	\$17,355	\$6,486	0.0%
Red Clay	\$4,256,101	\$4,591,387	14.3%
Seaford	\$302,315	\$1,295,385	4.0%
Smyrna	\$79,718	\$93,080	0.3%
Sussex Technical	\$60,200	\$121,729	0.4%
Woodbridge	\$153,741	\$174,953	0.5%
Total	\$25,862,572	\$32,144,771	

DOE & Charter Schools Spend Scorecard

Charter Schools spent \$3.2 million with the certified Supplier Diversity community in FY '22.
This represents a 24.7 percent increase in spend when compared to FY '21.

CHARTER SCHOOL	FY2021	FY2022	% OF FY22 TOTAL	CHARTER SCHOOL	FY2021	FY2022	% OF FY22 TOTAL
Academia Antonia Alonso	\$223,862	\$160,101	4.9%	John S. Charlton School	\$25,752	\$3,630	0.1%
Academy of Dover Charter School	\$37,057	\$62,469	1.9%	Kuumba Academy Charter School	\$99,105	\$85,286	2.6%
Campus Community School	\$54,602	\$148,852	4.6%	Las Americas ASPIRA Academy	\$80,886	\$43,271	1.3%
Delaware Military Academy	\$62,154	\$63,499	2.0%	Margaret Sterck School	\$57,610	\$315,879	9.7%
Early College High School	\$12,381	\$4,124	0.1%	MOT Charter School	\$203,744	\$42,951	1.3%
East Side Charter School	\$67,773	\$116,340	3.6%	Newark Charter School	\$185,947	\$708,628	21.9%
Family Foundations Academy	\$210,014	\$309,640	9.6%	Odyssey Charter	\$51,705	\$44,035	1.4%
First State Military Academy	\$21,890	\$29,007	0.9%	Positive Outcomes Charter School	\$43,385	\$27,574	0.9%
First State Montessori Academy	\$556,308	\$148,819	4.6%	Providence Creek Academy Charter School	\$44,629	\$139,503	4.3%
Freire Charter School	\$119,153	\$195,819	6.0%	Sussex Academy of Arts and Sciences	\$69,046	\$119,292	3.7%
Gateway Lab School	\$23,975	\$48,106	1.5%	Sussex Montessori	\$0	\$24,840	0.8%
Great Oaks Charter School	\$201,772	\$129,137	4.0%	The Charter School of Wilmington	\$65,675	\$36,019	1.1%
Howard T. Ennis Sr. Trainable School	\$4,404	\$2,923	0.1%	Thomas A. Edison Charter School	\$77,696	\$231,849	7.2%
				Total	\$2,600,524	\$3,241,593	

SUPPORTING DELAWARE SMALL BUSINESSES.

The Division of Small Business team is knowledgeable, experienced, and ready to help. Contact us today!



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